



CUSTOMER EXPERIENCE  
IN LIFE SCIENCES:

# ***MOVING BEYOND CUSTOMER SERVICE***



# INTRODUCTION/EXECUTIVE SUMMARY



*Life Sciences companies are innovators at the core of what they do in this world. They change the course of disease, and that's miraculous. The question is 'Now what? Where can we take innovation next?'*

– Richard Schwartz, Head of Life Sciences Experience, Medallia

Based on Boston Consulting Group's 2021 list\* of the 50 most innovative companies, 12 – nearly a quarter – were life sciences companies signaling that other industries should take note of what life sciences companies are doing.

This report is the summary of collaboration between DHC Group and Medallia on the latest insights, opinions, and data throughout the life sciences industry, its leading experts, and its customers. And through this collaboration, we were able to understand the industry's maturity, views, and expectations on customer experience.

The purpose of this project is to share the latest data and opinions, prompt discussions, and provide insight and guidance on customer experience (CX) in life sciences organizations: how they define it, how they believe our industry is currently performing, how they are doing and measuring CX, what needs to be done to build CX as a core discipline, and the clear value for all our colleagues and customers.



*An important part of the definition of CX is your definition of customer. The customer is the patient. The customer is the HCP: the physician, the nurse practitioner, the physician assistant. The customer is the office staff. The customer is an influencer. The customer is a caregiver. We take an expansive view of who that customer is, what's important to them at every stage of the overall patient journey, and how they interact with each other at those different stages. ... The reality is, we don't control the entire experience, and we never will. The more we can understand and interface with the other pieces that are happening in that patient or customer's experience, the better we'll be able to help them solve their problems. It does require partnerships, and it does require looking at and understanding the whole, beyond our purview, to try to solve some of those issues."*

– Jessica Saperstein, Head of Customer Experience, Novartis

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\*Alphabet, Pfizer, Johnson & Johnson, Procter & Gamble, Abbott Labs, Bosch, Merck & Co., Novartis, Moderna, Roche, AstraZeneca, Bayer

# WHAT IS CUSTOMER EXPERIENCE?



***Leaders put their employees in a position to delight customers and earn their loyalty. That chain of events is what truly drives the economics of a business. And accounting has a hard time tracking this because we don't track referrals or word of mouth...we need to measure it better, so we can manage it better."*** – Fred Reicheld, Bain Fellow, Author/Speaker on Loyalty, Creator of the Net Promoter System

We recently asked more than 60 life sciences executives to define what CX meant to them. They responded with phrases like "customer satisfaction" ... "the patient journey" ... "customer-centricity" ... "user experience" ... "solving pain points" ... "seamless experience" – but the main concept we heard was "customer service". Unfortunately, leaders in CX agree that seeing CX as customer service is looking at the problem upside-down. While customer service is a vital part of CX, it's only one of many tactical elements that fit underneath the CX umbrella.

Customer experience has evolved over time. Customer experience is now widely acknowledged as one of the pharmaceutical industry's top strategic priorities.

However, a generation or two ago, "the customer experience" might have conjured up visions of receiving a warm cookie as you checked into a hotel, or reading a handwritten comment card dropped in the mail. However, today, CX is more than that. Companies face a world of volcanic upheaval, where the problems are global, the feedback is fast and public, and the customers are facing more than ever in their lives.



***What was expected, plus or minus what actually happens, equals their experience."*** – Richard Schwartz, Head of Life Sciences Experience, Medallia

# CX IN LIFE SCIENCES

How pharma companies define what distinctive customer experiences are and are going to need to become will require us to have intelligent and ubiquitous listening posts along with resolution systems and mindsets.

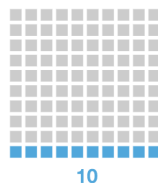
“ In an increasingly technology-centric world, consumers and patients are becoming more active – and empowered – in seeking information on treatment choices. Transforming patient experience will likely require four critical things to succeed: (1) a vision and strategy that focus on the core of the patient experience, beyond the silos of patient marketing, market access, and patient services, (2) infusion of new capabilities to deliver patient experience for the entire patient journey (i.e., from awareness building and education, to access to therapy, to living with the condition) at a personalized (or micro-segment) level via human-centered insights and research, advanced analytics, omni-channel engagement, “consumer marketing” capabilities, and technologies (3) an integrated operating model – even if the different components of the patient journey sit in different parts of the organization, integrating governance and processes is critical to ensure full visibility into the patient journey, and (4) consistent measurement across the three areas considered essential to the patient experience: improvement in patient outcomes, enhancement of patient satisfaction, and delivery of innovative activities and approaches.”

- Nisha Subramanian, Partner at McKinsey & Company

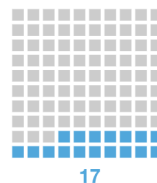
To win, pharma companies need distinctive customer experiences as well as differentiated drugs.

Average likelihood to prescribe vs satisfaction with customer experience,<sup>1</sup> %  
(n = ~600 prescribing immunologists in France, Germany, UK, and US)

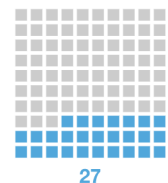
Prescriber dissatisfied with all aspects of journey



Prescribers satisfied with prescription journey<sup>2</sup> only



Prescribers satisfied with prescription journey<sup>2</sup> as well as with interactions with pharmaco representatives<sup>3</sup>



<sup>1</sup>Based on a cluster-level analysis linking prescriber satisfaction, as indicated by survey responses, to prescription likelihood, calculated as the average number of patients on a given drug divided by the total number of patients within the prescriber's cluster.

<sup>2</sup>Interactions with patients from diagnosis and prescription to monitoring and follow-up.

<sup>3</sup>Including approach to acquiring and developing medical and scientific knowledge.

McKinsey&Company

“ **For us, customer experience is defined as how customers perceive each and every interaction with your company. Whether that’s online or offline, digital or analog, personal or non-personal, it all adds up to their collective customer experience.”**  
– Dan Gandor, Director, US Customer Experience, Oncology & Specialty, AbbVie



Among the examples of world-class our experts cited as influences: Andersen Windows, Apple, Carvana, Disney, Farmers Insurance, Harley-Davidson, Home Depot, Delta, Capital One, Mercedes, LEGO, Nordstrom, Petco, Ritz-Carlton, Starbucks, USAA, Zappos.

Traditionally, companies in the life sciences industry can look askance at case studies from other industries, since they can have less regulations within which they have to work – but, as Schwartz pointed out, “Expectations are set in all of the places that people go when they’re not busy being patients or HCPs.”

These leaders in CX are setting the bar for all of us, regardless of industry. Some of these have built their entire brand around an experience. Others are digital-native and have become successful by using data to adeptly solve their problems.

**“Our customers’ expectations are set not by our industry but by all of these other nimbler industries.”**  
– Ryan Billings, GSK/ViiV Healthcare

Certainly, there are differences. Oncology brands aren’t seeking to “surprise and delight” the way a luxury good or a travel brand might be. And similarly, while most industries use Net Promoter Score (NPS) as a cornerstone of their metrics, recommendations may not be the best marker for a life sciences brand.

Healthcare brands must think carefully about exactly what their desired outcomes are. “Healthcare is about all of us, having a human experience that just happens sometimes,” said Laurie Meyers. “That experience happens to lead to us needing healthcare. I think we’re fooling ourselves if we think that CX isn’t needed in the healthcare space.”

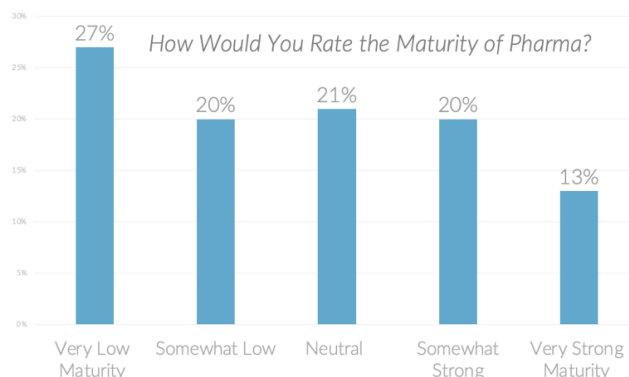


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## Ranking Industries by Cx Maturity (by pharma execs)

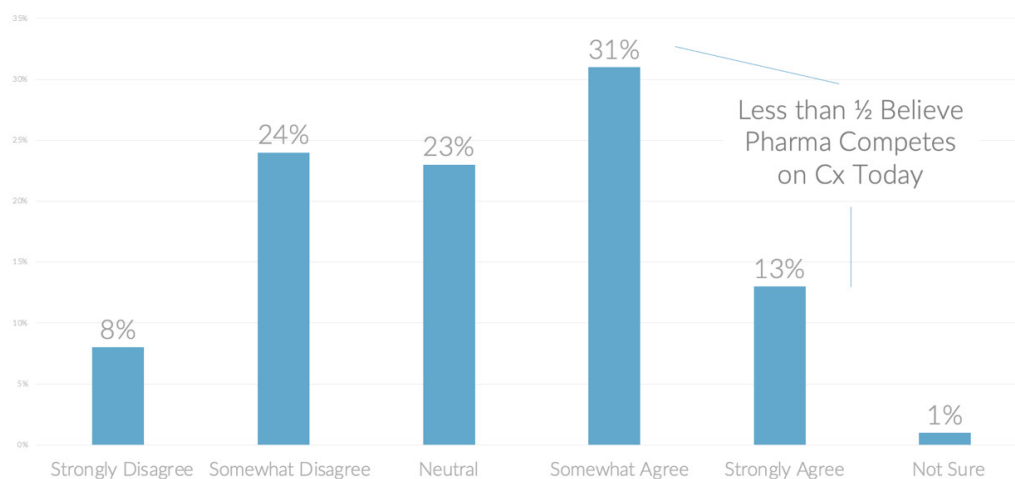
1. Online Retail
  2. Traditional Retail
  3. Food/Beverage
  4. Entertainment
  5. Travel
  6. Finance/Banking
  7. Pharma/Life Sciences
- Best  
↓  
Worst



The life sciences industry has the opportunity to make great strides, bringing our industry far closer to CX maturity. The pandemic has sped up this evolution, and it's time to continue that transformation. We have world-class benchmarks to learn from; we have the technology and the experts available to us to help us act; we have the data on our customers to inform our actions. Like all growth, it won't be a simple or easy process, but it'll be worthwhile.

“The healthcare industry is unique in that its mission is to improve the health of individuals. As a result, the audiences that pharma companies are trying to reach – patients and healthcare providers – are not thought of as “customers” in the same way that other industries use that term. But what is similar to other industries is the concept of “customer experience” – and in pharma, physician and patient satisfaction matter just as much as other industries, if not more. McKinsey’s 2021 survey of healthcare providers indicates that there is, on average, a ~20% likelihood that physicians will favor a certain therapy when they have been satisfied with both their “knowledge journey” as well as their patients’ experience with that treatment. Organizations that transform their HCP Cx are better positioned to provide timely and relevant information to enable HCPs to make clinically appropriate treatment and prescribing decisions for their patients and, ultimately, create better health outcomes.” - Nisha Subramanian, Partner at McKinsey & Company

## Does Pharma Compete on Cx Today?



# BEING INSPIRED

// *We use what we call our anchors, our core four benchmarks: Amazon, Disney, Nordstrom, and one that usually surprises people, the Singapore Changi Airport. These anchors recognize the value of the end-to-end experience. We look at them to create seamless, consistent, meaningful customer experiences."*



// "We look to them for their perspective on innovation. We knew we had to learn how to embrace humility and how to learn from failing fast."



// "Nobody leaves a Disney park saying, 'That was the safest experience I've ever had!'; they say, 'That was the best experience I've ever had!' But Disney puts safety first, though people don't usually even notice that. We wanted to dig into how to make safety so good it was invisible."

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// "For 120 years, they have been doing CX right. Their culture is customer-obsessed. We are, too, and want to learn from them how to do that better."



// "What drew us here is that they embrace tired, overwhelmed, exhausted travelers and change their perspective. We want to learn how to mimic that for our patients."

– Laurie Meyers, Genentech

The importance of understanding our customers lies in our ability to anticipate their needs, and to have created structures and processes so that any needs that do arise can be addressed with a rapid, pleasant, elegant solution. In doing so, we must acknowledge that – especially in recent months and years – our world has become very different, and our customers are all feeling the effects of that. The expectations of our customers will only continue to rise, as we all experience increasing personalization and optimization from the companies with whom we interact.

We saw retail and restaurants shift to curbside and POC (Porch of the Customer) - there is a great deal to be learned from this for life sciences and the industries in our ecosystem we rely on to prescribe, pay for and distribute medications.

The life sciences industry has access to a multitude of data and insights about our patients and consumers. For instance, we can tell whether patients are having a desired outcome without them directly telling us. In fact, we know whether they are trying multiple brands or continuing to refill their prescription.

**//** *Partnerability is a capability, and life sciences companies have to get better at it. We must talk with the people who are prescribing the medication and the people who are dispensing it; the people who are providing care and the organizations who are paying for it. We've got to be talking to all of them about where the experience is breaking, and how it's affecting the patient. We're all chomping at the bit to put the patient first, and one of the ways to do that is to advocate for them with each other."*  
– Rich Schwartz, Medallia

## The **CUSTOMER EXPERIENCE**

Tactile  
Umbrella



### **WHO**

Audiences ... Patient, HCP (Health Care Professionals), Caregiver, Office Staff, Payer, Sales Rep, Pharma Company Employees

### **WHAT**

Elements ... Patient Journeys, Ux, Copay Programs, Market Access, NPP (Non Personal Promotion), Digital Content, Admin Tools, Disease Education, Patient Support Program, Call Center, Field Force

### **HOW**

Tools ... Feedback Survey, Customer Comments, Engagement Metrics, Awareness, Registrations, Social Listening, Cx Systems And Platforms

### **WHY**

Anticipate, Empower, Resolve, Data-Driven, Everywhere



# MEASURING CX

**//** *Make the experience personalized and relevant for me. Don't have me go through extra steps, no matter where I am on my journey. It could be content, but it could also be fulfillment, or on-boarding for patients, or for a physicians' staff.* – Jessica Saperstein, Novartis

Companies can close the CX gap by focusing on empathy through metrics such as Net Lives Enriched. But we also know emotions are at the root of the decision we make, so how do you measure emotion? Some elements of measuring CX include things like social listening, feedback loops, time to resolution, focus groups, sentiment scores, Net Promoter Score-type elements such as Trust, CSAT, CES.

Putting your customer data to work, will require looking at the moments that motivated some form of sentiment, understanding why, and focusing on replicating the smiles, and repairing the frowns.

Moreover, though, measurement requires precision in your definitions. Are you looking for delight, happiness, satisfaction, trust, engagement, or something else? How are you defining those, and what data points are you using to quantify them? You probably need different metrics for different audiences. You probably also need different metrics for different brands in different years. Success is not a static destination.

Nor is it entirely an emotional one. While empathy is the vehicle to improve CX, measuring it is not the same as measuring success. To be meaningful, CX must track back to the business – an obvious statement, but one that is sometimes neglected.

**//** *How do you get people to care about CX? Your CX metrics have to be linked and correlated to the business metrics that matter.* – Jessica Saperstein, Novartis

# BARRIERS

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*Our industry is realizing that CX demands some changes in mindsets and skill sets, and some admissions around entrenched ideas that could challenge egos and economics of people and partners."*

– Rich Schwartz, Medallia

Our survey respondents offered a variety of answers when asked about their greatest barriers to improving CX for both patients and HCPs – an inability to define KPIs and show ROI; technology shortcomings limiting integration of systems and access; internal siloes, regulatory limitations; and a lack of dynamic processes enabling personalization.

What we learned most from our surveys, interviews, and expert input was that most of the true CX barriers are structural. More advanced organizations, though, have figured out a structure that works for them – whether that's a full CX remit for everyone, or whether they're just beginning with a CX COE or champion. They know that there's a process for fixing a problem when one is found: a robust feedback loop when a rep, a physician, a patient, or a colleague complains.

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*Getting really good at prioritizing helps with barriers. In this very digital reality, the volume of assets and initiatives on our plates is ridiculous, and our MLR teams get really backed up. They can't review everything, so I try to do my best to say what's really important to bring to the top of the list to make sure we get done. We've had to get really good at that."*

– Ryan Billings, GSK/ViiV Healthcare

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*I think it's unfair, and easy pickings, to say it's the MLR process, or team, that's a barrier. Certainly, it can be a challenge. That can be said of any function at time: IT, the brand, even the CX team. I've always thought of CX like an orchestra. You've got the composer – maybe the brand team – who came up with the score, but that's just a sheet of music without the rest of the orchestra to bring it to life. Each instrument needs to play their part at the right tempo, and someone needs to conduct. A good CX team can serve as that conductor to help bring the best from each function. Problems can arise with any one of those instruments. A good conductor can see those problems and avoid or solve them.” – Dan Gandor, AbbVie*

While it can be daunting to use data in a meaningful way to drive action, our industry has the gift of data available to help us understand the experiences our customers are having – and even predict who might have a bad experience before they do, and head it off. This is good because many standard consumer metrics don't work for us: few people are “delighted” when dealing with a health issue. We need to choose our data streams carefully, and define our KPIs precisely, to set our CX work up for success.

Several of our experts also noted that data can be problematic for some of our colleagues. Sales teams can be reticent or hesitant, afraid that metrics will simply be used punitively, and it will introduce elements that are out of their control. But data should cut both ways: what about data that demonstrates whether the organization is a good employer? Both experiences need to be optimized.

Furthermore, brands and organizations must think about rewarding resolution of requests and feedback and not create a system where problems are punished.



# IN CONCLUSION: THREE LEVELS OF CX MATURITY

Organizations that prioritize customer experience outperform their competitors in terms of key bottom-line measures such as profitability, revenue growth, shareholder value, and stock market performance. With the fact that industry is in service of the consumer or patient, customer experience needs to be viewed as common ground to not only advance pharma companies but the lives of patients and consumers.

Delivering great customer experiences requires surfacing actionable insights and enabling seamless collaboration across patients, consumers, and prescribers. The right foundation ensures organizations are listening to and delighting patients and consumers across all channels. By adopting a holistic, cohesive, and actionable framework of customer experience measurement, pharma can quickly understand the multidimensional nature of these relationships to build long-term equity, profitability, and growth.

So how do you initiate a CX transformation? In our experts' words: just start.

***“It’s not always going to be perfect, start listening, learning, and acting. People will start to get excited. Know that, at every step of the way, you’re making a difference in someone’s life.”***

**– Pharma Brand Exec**



Our experts also noted that this isn't an issue of IP and trade secrets. "While CX is a battleground, it's also a common ground," said Rich Schwartz. "We all have to get good at this."

"All boats rise together," said Laurie Meyers. "Our patients are not just on our therapies; they're on multiple therapies. If we're changing the experience just in one dynamic, we're not changing the experience enough. For us, it's way bigger than what one team, or one company, is doing. It has to be on everybody's radar. Experience matters. What is our industry doing about it?"

**We have to work together to succeed – and those who do it best will succeed most.**

"The ecosystem of the experience isn't one provider, one product, one company: it's the end-to-end experience that patients and providers go through that really matters," said Jessica Saperstein.

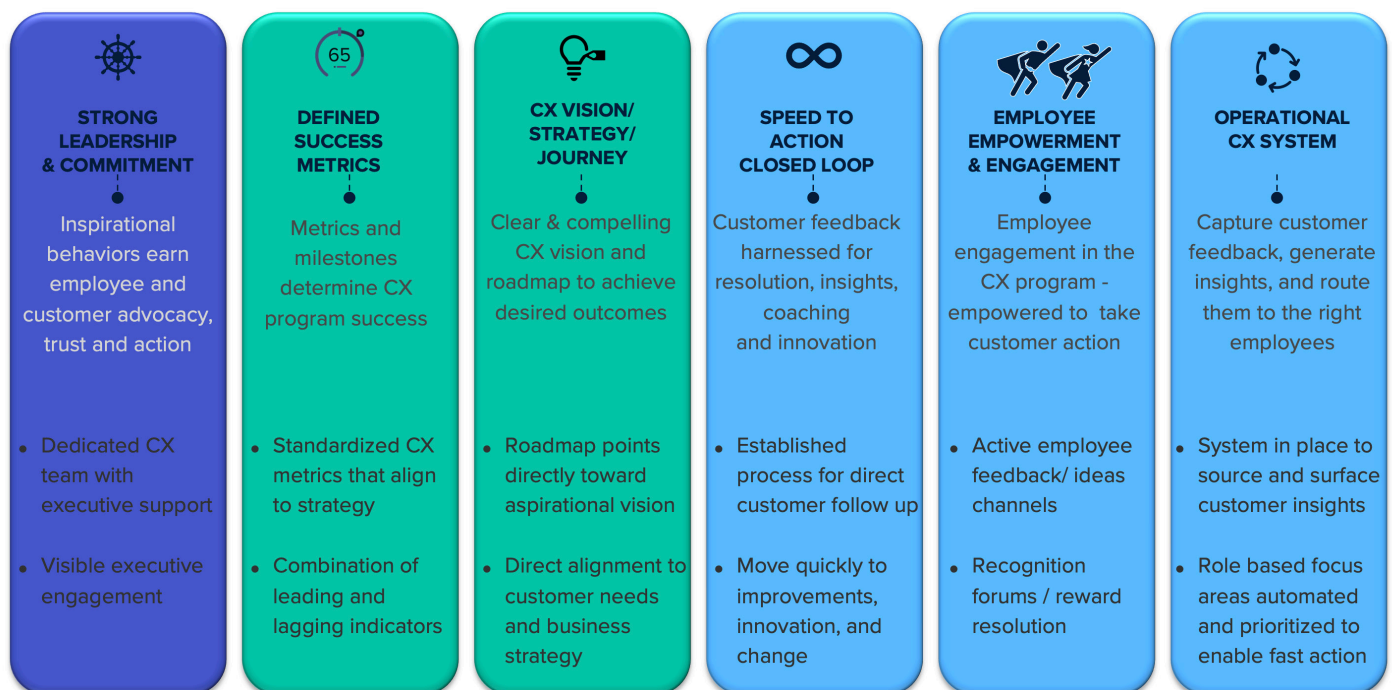
"If efficacy, safety, formulary, etc. are the same, the entity that makes it easier to do business with is the entity that's going to win out," said Rich Schwartz.





## Building Blocks of Cx Program Excellence

In addition to staging and timing, Cx success over the long term requires a foundation and the essential building blocks to support efforts over time. In addition to the core of leadership, metrics, and a clear vision of Cx, organizations must also rethink and rework internal (and external) business processes to actually close the Cx loop in a timely manner, make Cx part of the employee experience and mandate, and of course start (or continue) to invest in the operational systems to capture feedback, insights, and get them to the right people who can solve or address experience issues and requests.



Medallia

\*Julian Garza, Medallia  
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# REFERENCES

Sources for the information in this report include:

- The May 2021 DHC Virtual Summit, including:
  - “How Emotional Connection Drives Quality Service,” by Scott Vedder, Senior Facilitator, Disney Institute
  - “Discussing Applications of Customer Experience to Pharma,” by Christine Yeh, Vice President, Customer Experience, AbbVie
  - “Discussing Applications of Customer Experience to Pharma,” a panel discussion featuring:
    - Jessica Saperstein, Head of Customer Experience, Novartis
    - Ryan Billings, Senior Global Marketing Director, HIV Prevention (PrEP), GSK/ViiV Healthcare
    - Dan Gandor, Director, US Customer Experience, Oncology, AbbVie
    - Richard Schwartz, Life Science Industry Practice Lead, Medallia
- “The Current State of Customer Experience in Pharma,” a feature article from the June 2021 issue of the DHC Group newsletter
- “Customer Experience in Life Sciences,” a webinar conducted in July 2021 featuring:
  - Richard Schwartz, Life Science Industry Practice Lead, Medallia
  - Jessica Saperstein, Head of Customer Experience, Novartis
  - Mark Bard, Co-Founder, DHC Group
  - Laurie Meyers, Senior Director, Experience and Engagement Design at Genentech
- A set of qualitative survey interviews conducted with more than 65 life sciences executives in July/August 2021 by the DHC Group, representing individuals with a wide range of large, mid-tier, small and emerging biopharma companies. While a number of respondents agreed to be quoted in this report, many interview respondents requested to remain anonymous.

# IDENTIFYING YOUR NEXT CX BEST ACTION

Be realistic about where you are. What level of CX maturity are you at now? Here are your three action steps:



## BEGINNER

1. Define what CX success would look like for your organization.
2. Choose a CX team, leader, or consultant.
3. Know what data streams you have.



## INTERMEDIATE

1. Define what CX activities your organization is doing that go beyond customer satisfaction.
2. Use what data you have to quantify and track the CX activities you are currently doing.
3. Develop a structure for how to move from today's activities toward a more complete CX ecosystem.



## ADVANCED

1. Look at next-generation data sources to improve your visibility into your success.
2. Improve your feedback loops and do more with what you learn.
3. Engage with more of your partners on CX initiatives.

# FEATURED EXPERTS



**Ryan Billings**  
Senior Global Marketing  
Director, HIV Prevention (PrEP)  
GSK/ViiV Healthcare



**Jessica Saperstein**  
Head of Customer Experience  
Novartis



**Richard Schwartz**  
Life Science Industry Practice Lead  
Medallia



**Dan Gandor**  
Director, US Customer  
Experience, Oncology  
AbbVie



**Laurie Meyers**  
Senior Director, Experience  
and Engagement Design  
Genentech



**Mark Bard**  
Co-Founder  
DHC Group

Stay tuned for more on Cx research, trends, and events this fall from DHC Group. Our next Cx event is with co-host Genentech will be held on November 16/17, 2021. If you would like to request an invitation to attend the summit you can submit the form [here](#).

# Medallia

Medallia (NYSE: MDLA) is the pioneer and market leader in customer, employee, citizen, and patient experience. The company's award-winning SaaS platform, Medallia Experience Cloud, is becoming the experience system of record that makes all other applications customer and employee aware. The platform captures billions of experience signals across interactions including all voice, video, digital, IoT, social media and corporate messaging tools. Medallia uses proprietary artificial intelligence and machine learning technology to automatically reveal predictive insights that drive powerful business actions and outcomes. Medallia customers reduce churn, turn detractors into promoters and buyers, create in-the-moment cross-sell and up-sell opportunities and drive revenue-impacting business decisions, providing clear and potent returns on investment. For more information visit [www.medallia.com](http://www.medallia.com).



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